



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Legislative Fiscal Analyst
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DATE: September 18, 2000

TO: Legislative Finance Committee

FROM: Taryn Purdy, Principal Fiscal Analyst
Dave Brown, Associate Fiscal Analyst

RE: Legislative Fiscal Training – Curriculum and Plan

As you are aware, the upcoming session will have a large number of new legislators. Consequently, a greater need exists for a formalized approach to legislator training. In addition, subcommittee work is very specialized and requires specialized training for both experienced and new members. Because of these factors, an examination of our services to a term limited legislature (of which this is a part) was deemed an “imperative” project in the Legislative Fiscal Division work plan. This memorandum provides a brief synopsis of legislator training development currently in process by division staff.

Our approach to the provision of fiscal and budgeting training for legislators is two-fold:

- 1) to provide general fiscal and budget training for all interested legislators; and
- 2) to provide more specialized training for all Appropriations and Finance and Claims committee members prior to the commencement of subcommittee hearings.

GENERAL FISCAL AND BUDGET TRAINING

The Legislative Council has undertaken a major initiative to provide extensive legislative training prior to and immediately after the beginning of the legislative session. The Legislative Fiscal Division has offered to assist in this effort by devising a curriculum and providing training in fiscal and budgeting concepts and issues.

Purpose and Scope of Training

The LFD has received feedback from various legislators not involved in the appropriations process that indicates:

- 1) the process and terms used can be a mystery and intimidating to legislators, reducing their ability to participate;
- 2) legislators do not have a sufficient knowledge base to understand the terms used when either the general appropriations bill hits the floor, their own bills with fiscal impact are heard, or they receive other fiscal information, such as the general fund status sheet; and

- 3) legislators do not know when they can become involved in budget setting or the form that involvement should take, further limiting their options to impact public policy through the budget process.

The training being developed is designed to make the appropriations process and budgeting terms less of a mystery to:

- 1) provide the potential to make the appropriations process more inclusive;
- 2) provide for greater efficiency of the process on the floor and elsewhere due to a higher overall knowledge base;
- 3) allow legislators to speak with authority on budget issues and terms with constituents;
- 4) allow legislators to better understand fiscal impacts of their own bills (and bills they hear in committee with a fiscal impact) and how they relate to the overall state budget; and
- 5) provide initial training for new and future appropriations and finance and claims committee members, making the learning curve less steep later and new members more effective sooner.

Therefore, the training is being geared to all legislators to not only give a basic grounding, but to let legislators know how they may seek further information.

Training Components

Training will encompass a number of general subjects, including:

- How the Legislative Fiscal Division is organized and how we can assist legislators.
- Basic budget and fiscal terms and concepts
- The state budgeting "big picture", including revenues and expenditures.
- How the appropriations process works
- How the LFD supports the legislature during the legislative session
- A Budget Book orientation
- Other sources of budget information.

Our intent is to present this information in about two hours of PowerPoint based classroom instruction. Total time is flexible based on legislative interest and questions during the process. All material presented will be provided in hard copy to each legislator. There will also be a reference manual provided.

Timing

This training would be provided in the first week of the legislative session. (While the Council is discussing having other legislator training in late November or early December, this time frame coincides with our busiest time in budget analysis preparation. Consequently, staff would have limited opportunity to provide training and/or answer questions.)

SPECIALIZED SUBCOMMITTEE MEMBER TRAINING

The second training is geared toward Appropriations Subcommittee members.

Purpose and Scope

Subcommittee training is being designed to address items specifically related to appropriations and the writing of HB 2. The general purpose is to provide the subcommittee members with knowledge of the process, materials, and tools available and how to best use them to not only write HB 2, but make it effective in controlling or compelling action, and/or clarifying legislative intent through the appropriations process.

Training Components

While the final topic listing has not been established, the following lists the topics that will likely be covered.

- The subcommittee's role and process
- How to read and use the Budget Analysis as a subcommittee working tool
- Other ad hoc budget documents and their use
- The structure of budgeting and the budgeting system
 - a) base, present law, new proposals
 - b) decision packages and reporting levels
- Additional budget terms and concepts not covered
- Additional budget terms and concepts not covered in general training
 - a) How personal services are calculated
 - b) How inflation is determined and applied
 - c) What fixed costs are and how they are calculated and allocated
 - d) Subcommittee specific topics, such as Medicaid, ADP, etc.
 - e) First, second, third level of expenditures
 - f) SABHRS, MBARS, and other computer systems used in budgeting
- HB 2 and its form, content, and role
- Possibilities and limitations of language
- Uses of line-iteming

- Use of other types of appropriations:
 - a) Contingent appropriations – what are they and when should they be used
 - b) Legislative contract authority
 - c) Language appropriations
- Committee bills
- Your LFD staff and its role
- Budget office staff
- Timetables and the process once subcommittees are through

Timing

This training would be provided to subcommittee members in the first week of the legislative session in conjunction with the start of subcommittee hearings.

CONCLUSION

The legislator training being developed must meet the needs of legislators. Therefore, we welcome committee feedback on the content and scope of the training.

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